

Suraj Estate Develop

17 August 2026

Operator: Ladies and gentlemen, good day and welcome to the Q1 FY27 earnings conference call hosted by Suraj Estate Developers Ltd. As a reminder, all participant lines will be in listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal the operator by pressing star and then zero on your touch-tone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Rahul Thomas, Whole-time Director of Suraj Estate Developers Ltd. Thank you, and over to you, sir.

Rahul Thomas – Whole-time Director: Good afternoon, everyone. I welcome you all to our Q1 FY27 earnings conference call. Along with me, I have our CFO, Mr. Shripal Shah, and SGA, our investor relations advisors. I hope all of you have gone through our investor presentation uploaded on the stock exchanges and our company website.

South Central Mumbai remains among Mumbai's most established and premium real estate markets, benefiting from a mature commercial ecosystem, strong social infrastructure, connectivity, and proximity to key employment centers. In the office segment, the CBD and Worli continue to see limited availability of quality Grade A space, while Lower Parel remains an active leasing destination supported by demand from established occupiers. With limited development opportunities in these established locations, the office market is expected to retain its premium positioning and rental resilience.

The residential market is similarly positioned towards the high-end and luxury segments, with South Central Mumbai encompassing Worli, Prabhadevi, Lower Parel, Parel, Dadar, Matunga, Mahim, and other locations. Demand is supported by strong end-user preferences for established neighborhoods, while redevelopment is emerging as an important avenue for creating new housing supply within these micromarkets. The continued development of premium residential projects, combined with limited land availability, is reinforcing the region's positioning as a preferred destination for premium housing.

These markets are the key focus markets for Suraj Estate, where the company has established a strong presence and a deep market understanding, particularly across South Central Mumbai. Our established footprint in these micromarkets positions the company well to benefit from the sustained demand for premium residential developments and continued redevelopment opportunities in the region. Overall, the region's established character and scarcity of developable opportunities provide a strong structural foundation for both commercial and residential real estate. The combination of sustained occupier and homebuyer interest, redevelopment-led development potential, and premium asset positioning should continue to support the market's long-term attractiveness.

Our ongoing projects continue to witness healthy momentum, with total sold area reaching 5.95 lakh square feet at an average realization of approximately 45,922 per square foot. We have achieved cumulative collections of 1,672 crores, with a balance receivable of approximately 1,060 crores, providing strong cash flow visibility and reinforcing our confidence in the company's long-term growth trajectory.

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During the quarter, we continued to make steady progress across our ongoing developments, with healthy absorption across both residential and commercial projects. Suraj One Business Bay, our marquee commercial development in Mahim, has witnessed strong sales traction since its launch, with approximately 33% of inventory sold post-launch, demonstrating healthy demand and strong absorption for our commercial offerings.

We have also continued to strengthen the project's development potential through the proposed acquisition of adjoining land parcels, which is expected to further enhance the project scale and strengthen our commercial footprint in the Mahim micromarket. Additionally, we acquired a strategically located land parcel in Dadar West with a total acquisition cost of approximately 18 crores. The parcel has a sale carpet potential of approximately 18,000 square feet, with an estimated GDV of approximately 100 crores. This acquisition strengthens our near-to-medium-term project pipeline and further consolidates our presence across the core South Central Mumbai micromarkets.

Looking ahead, we remain optimistic about the long-term outlook for Mumbai's real estate across both residential and commercial segments. Resilient customer demand, redevelopment opportunities, disciplined execution, and selective addition of new development opportunities continue to create attractive avenues for sustainable growth. With a healthy mix of residential and commercial projects across our core markets and a healthy pipeline of ongoing and upcoming developments, we remain well-positioned to build on the momentum achieved during the quarter and strengthen our long-term growth trajectory. With this, I would like to hand over the call to Mr. Shripal for the financial and operational highlights. Thank you.

Shripal Shah – CFO: Thank you, Rahul. I will take you through the financial and operational highlights for the quarter ended June 2026. Starting with the quarterly financial performance for Q1 FY27, total income stood at Rs. 143 crore compared to Rs. 133 crore in Q1 FY26, registering 10% year-on-year growth. EBITDA increased to Rs. 55 crore from Rs. 50 crore, representing 9% year-on-year growth in EBITDA, while EBITDA margin stood at close to 37.5%. PAT for the quarter stood at Rs. 23 crore compared to Rs. 21 crore in Q1 FY26, registering 7% year-on-year growth.

Operationally, the company continued to deliver strong sales momentum during Q1 FY27. Sales value increased by 74% year-on-year to Rs. 141 crore compared to Rs. 81 crore in Q1 FY26, while sales area also grew by 74% to 28,834 square feet from 16,524 square feet. Collections during the quarter stood at Rs. 86 crore compared to Rs. 115 crore in Q1 FY26.

As of June 2026, the company's net debt stood at Rs. 614 crore, primarily reflecting capital deployment towards business development activities, strategic land acquisitions, and investments in ongoing and upcoming projects. The increase in debt will also be driven by investments to strengthen the company's development pipeline, support project execution, and create greater long-term growth visibility across South Central Mumbai. With this, I would like to open the floor for questions. Thank you.

Operator: Thank you very much. We will now begin the question-and-answer session. Anyone who wishes to ask a question may please press star and one on their touch-tone telephone. If you wish to remove yourself from the question queue, you may press star and two. Participants are requested to use handsets while asking a question. Ladies and gentlemen, we will wait for a

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moment while the question queue assembles. Ladies and gentlemen, to ask a question, please press star and one now. Participants who wish to ask questions may please press star and one at this time. The first question is from the line of Jay Jain from JJ Capital. Please proceed with your question.

Jay Jain – JJ Capital: Sir, I have just two questions. First, what is the expected launch pipeline for FY27, particularly on the residential side? By when do we expect these projects to be launched?

Rahul Thomas – Whole-time Director: Jay, the total launch pipeline for this financial year is about 1,600 crores. To give you a synopsis, we are planning to launch approximately 240 crores in Q2, approximately 800-880 crores in Q3, and about 480 crores in Q4. So, 1,600 crores is the launch pipeline for this year.

Jay Jain – JJ Capital: Understood. My second question is: could you highlight the projects that are likely to be the biggest contributors to sales and collections over the next 2-3 quarters?

Rahul Thomas – Whole-time Director: Could you repeat that question?

Jay Jain – JJ Capital: Could you please highlight the projects that are likely to be the biggest contributors to sales and collections over the next 2-3 quarters?

Rahul Thomas – Whole-time Director: For the next 2-3 quarters, in terms of ongoing projects, our commercial project, Suraj One Business Bay, is the largest and will be the major contributor. On the residential side, we are launching a project called Suraj Innova, for which we are already expecting the CC and the RERA approval very soon. These would be the immediate projects where you can see cash flows.

Jay Jain – JJ Capital: Understood. Thank you for answering my questions.

Rahul Thomas – Whole-time Director: Thank you.

Operator: Thank you, sir. The next question is from the line of Uttam Samar from RVG Educational Foundation. Please proceed with your question. Mr. Uttam, your line has been unmuted. As there is no response, we will move to the next question. Ladies and gentlemen, to ask a question, please press star and one now. Participants who wish to ask questions may please press star and one at this time. The next question is from the line of Rohit from Adam Advisors. Please proceed with your question.

Rohit – Adam Advisors: Could you give us an update on the Bandra project specifically? Where do you stand on the remaining land acquisition and amalgamation? Has there been any change in the expected timeline for the project to become launch-ready?

Rahul Thomas – Whole-time Director: For the Bandra land parcel, two balance conveyances are pending, and the process is underway as we speak. In terms of the launch pipeline, the Bandra project would be launched in the next financial year.

Rohit – Adam Advisors: Understood. With sales value growing significantly year-on-year, are you seeing any change in the customer profile or ticket size across the value-luxury and luxury

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segments?

Rahul Thomas – Whole-time Director: In the luxury segment, as we speak, we do not have a lot of inventory in the ongoing projects. It is primarily the commercial project and the value-luxury segment where we have inventory, so we are seeing traction across both the commercial and residential segments. We will be launching a few more projects in the luxury segment, but that is yet to be announced because we have certain matters ongoing with societies. Once we conclude those discussions, those projects may come back in the luxury segment.

Rohit – Adam Advisors: That was very helpful. Thank you for taking my question.

Rahul Thomas – Whole-time Director: Thank you.

Operator: Thank you, sir. Ladies and gentlemen, to ask a question, please press star and one now. Participants who wish to ask questions may please press star and one at this time. The next question is from the line of Ishita Lodha from Swan Investments. Please proceed with your question.

Ishita Lodha – Swan Investments: Thank you for the opportunity. What funds do we need to launch the Bandra project? Since it is a large project, how are we planning to fund it? How do you see that progressing by the end of this year and next year?

Management: The initial capital will be provided through our internal accruals because we have not borrowed anything for the land for the Bandra project. We will, of course, be tying up with an institution once we are ready with the basic-level IOD. Whether it is a CF or an NBFC, we will have to assess that as we come closer to the launch. Right now, we are using our internal accruals for the plot.

Ishita Lodha – Swan Investments: How much capital do we need to launch it, approximately?

Management: The estimated premium would be in the rough range of 300–350 crores for the overall Bandra project. There will, of course, be a CF limit for the construction, which will be separate.

Ishita Lodha – Swan Investments: Your Suraj One Business Bay has seen a very good sales response. What is your sales strategy for the balance inventory, and what is the plan for Phase 2?

Management: As we mentioned in the commentary, we have also got our concession plan approved for the amalgamated portion. As we speak, the plan has already been approved. We expect the launch of the project, with an 800-crore topline, to come in very soon once we amend the RERA and can inform the exchange. We are seeing good traction. Our strategy is very clear: we will continue selling and continue the momentum.

Ishita Lodha – Swan Investments: You had mentioned a launch pipeline of 1,600 crores in FY27. Apart from this project, can you name the projects that will be launched this year?

Management: We have Suraj Nova, which is in Mahim. We also have a project called Lovo Villa in our presentation. That is approximately 180 crores, which is expected in Q2. We have a small project called {? Adora ?}, which is also in Dadar. That has a 60-crore topline.

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We have Suraj One Business Bay Phase 2, which, as I said, will be amalgamated with the current phase and has an 800-crore topline. That will come in Q3. We have a small project called {? Shruti ?}, which is at Shivaji Park and also has an 80-crore topline. That will come in Q3.

Then we have 2 or 3 more projects coming in Q4, with a topline of approximately {? 480 ?} {? 484 ?} {? 486 ?} crores in Q4.

Ishita Lodha – Swan Investments: Thank you so much.

Operator: Thank you, ma'am. Ladies and gentlemen, to ask a question, please press star and one now. Participants who wish to ask questions may please press star and one at this time. The next question is from the line of Harshit from Robo Capital. Please proceed with your question.

Harshit – Robo Capital: Thank you for the opportunity. I wanted to understand what the accounting revenue will be for FY27 and FY28.

Management: We will maintain the growth momentum as per last year. It is all subject to the launches and the timing of the launch of the new projects.

Harshit – Robo Capital: Can you provide any estimated broad range as guidance?

Management: We will achieve close to 10–15% growth compared to the last financial year.

Harshit – Robo Capital: What will be the EBITDA margins for the next 2 years?

Management: They will be in the range of 35–37%.

Harshit – Robo Capital: Thank you.

Operator: Thank you, sir. The next question is from the line of Renuka Shivshankar from First Water Capital. Please proceed with your question.

Renuka Shivshankar – First Water Capital: Thank you for the opportunity. In your commentary, you mentioned that the second portion of One Business Bay is being launched in Q3. In terms of pre-sales, what is our outlook for the entire parcel that we are forecasting for FY27?

Management: Renuka, I would be looking at overall pre-sales. Of course, we are going to be selling as we see the demand, and we are seeing good traction now. I think it will only get better with the amalgamated portion. Having said that, the guidance will be for the year rather than only for that particular plot in isolation. We are seeing good traction, and our target is to sell at least 1 lakh square feet in One Business Bay. That is our minimum target.

Renuka Shivshankar – First Water Capital: You are saying 1 lakh additional square feet for the year for the total amalgamated plot?

Management: Yes, in total.

Renuka Shivshankar – First Water Capital: What is your pre-sales guidance for the entire portfolio, residential plus commercial, for FY27?

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Management: Overall, we are targeting pre-sales of about 700 crores across both segments. Our internal target will be higher, but right now we will be guiding for 700 crores.

Renuka Shivshankar – First Water Capital: I am sorry, I missed the gross and net debt figures as of June 30. Could you provide them again, please?

Management: Gross debt is 646.94 crores, and cash and cash equivalents are 33.03 crores. Net debt is therefore 613.91 crores, so the net debt is close to 614 crores.

Renuka Shivshankar – First Water Capital: Those were my questions. I will join the queue again. Thank you.

Operator: Thank you, ma'am. The next question is from the line of Rajendra Passi from MP Analyst. Please proceed with your question.

Rajendra Passi – MP Analyst: Hello?

Management: Yes, go ahead.

Rajendra Passi – MP Analyst: Thank you for the opportunity. My first question is regarding the balance inventory on the residential side that we are holding right now. Can you provide that?

Management: Do you mean carpet area?

Rajendra Passi – MP Analyst: Carpet area as well as the total value. In the presentation, I believe it was the combined value with the commercial segment. Can you provide the breakup?

Management: Just a second. Yes. There are 22,000 square feet available for sale in the residential segment, for which the estimated GDV is close to 109 crores. The commercial segment is close to 1.4 lakh square feet, for which the estimated topline is 841 crores. So, the total unsold inventory from the ongoing portfolio of projects is 950 crores.

Rajendra Passi – MP Analyst: Understood. We are seeing that, in this quarter compared to the same quarter of the last financial year, there has been a decline on the residential side. Is it mainly due to low inventory, or have we seen some kind of residential slowdown in the MMR market?

Management: No, it is mainly because of low inventory.

Rajendra Passi – MP Analyst: My last question is on the Bandra project. We had, I believe, amalgamated 2 of the land parcels, and the third one was pending as of the last quarter's call as well. Has there been any progress on that?

Management: Yes, things are progressing, and we are moving very quickly. We will keep you updated once those conveyances are completed.

Rajendra Passi – MP Analyst: Do we have any timeline for the amalgamation of the third plot? Can we estimate it approximately?

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Management: No, there is no timeline. Unless we get the plot, only then can we discuss amalgamation. I think the first step is to complete the conveyances and finalize the ownership tie-up. Then we can provide a timeline for the plot amalgamation. That is a process with the BMC, so I do not see that as an issue. The main requirement is to tie up the balance plots.

Rajendra Passi – MP Analyst: It should be completed within this financial year, correct?

Management: Our target is to complete it before that. Let us see how it develops.

Rajendra Passi – MP Analyst: All the best.

Management: Thank you.

Operator: Thank you, sir. Ladies and gentlemen, to ask a question, please press star and one now. Participants who wish to ask questions may please press star and one at this time. The next question is from the line of Ishita Lodha from Swan Investments. Please proceed with your question.

Ishita Lodha – Swan Investments: Thank you, sir, for the follow-up opportunity. What is our target for OCF, or operating cash flow generation, and collections for this financial year?

Management: We can discuss that offline, Ishita.

Ishita Lodha – Swan Investments: The reason I am asking is that you were saying the Bandra project would be funded from internal accruals next year, while today we are sitting on net debt of 614 crores. However, I am happy to discuss it offline. Thank you.

Operator: Thank you, ma'am. The next question is from the line of Sahil from Sahil Securities. Please proceed with your question.

Sahil – Sahil Securities: Thank you for the opportunity. I have a couple of questions. Given that most of the ongoing portfolio's sold area has already been monetized, where do we see the next leg of sales growth coming from: new launches or absorption of existing inventory?

Management: Is your question about the new launches and where the next cash flow will come from?

Sahil – Sahil Securities: Yes. Where will the next sales growth come from: new launches or absorption of existing inventory?

Management: Your voice is not very audible. But assuming that is what you are asking, yes—

Sahil – Sahil Securities: My question is where the next sales growth will come from: new launches or absorption of existing inventory?

Management: It will come from both. It will come from both because we already have a launch pipeline of 1,600 crores for this year, which we discussed earlier. It will therefore be a combination of both. Pre-sales will come from upcoming launches as well as from the unsold area that we currently have.

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Sahil – Sahil Securities: Thank you, sir. I have one more question. How do you see the company's debt position evolving over the next 12–18 months, and how much deleveraging can we expect?

Management: Could you repeat that? Your voice is not audible.

Operator: Your voice is not clear, Sahil.

Sahil – Sahil Securities: Is it audible now?

Management: Yes.

Sahil – Sahil Securities: I wanted to understand how the company's debt position will evolve over the next 12–18 months and how much deleveraging we are expecting.

Management: As we have many new launches, and as you can see, a 1,600–crore pipeline has been created for this year, the debt level will go up. However, as I said, it will go up temporarily, and because of the good sales traction, especially in our commercial projects and also in the Bandra project, it will be an initial increase and will then come down on a sustainable basis.

Sahil – Sahil Securities: Understood, sir. Thank you.

Operator: Thank you, sir. The next question is from the line of Sakshi Pratap from Pratap Securities. Please proceed with your question.

Sakshi Pratap – Pratap Securities: Thank you for the opportunity. I have 2 questions for you. Firstly, given the large redevelopment opportunity that we have in South and Central Mumbai, are we seeing any increase in the acquisition cost of completion or in competition for redevelopment projects?

Management: Not as yet, Sakshi. We are actually in talks with a couple of societies, and we do not see any significant increase. Of course, they also want to work with a builder who is well-known in the area, and I think that is where we come in across South Central Mumbai. There is competition, and many people are entering redevelopment. However, overall, we do not see any increase because the deals we are discussing are fairly standard, and we are not giving them too much additional area. I think it is a very standard deal.

Sakshi Pratap – Pratap Securities: Understood. Secondly, what kind of pricing movement have we seen in the business space since launch, and is there scope for any further price appreciation as the project progresses?

Management: Right now, we have achieved an average of roughly 50,000. I think there will be appreciation as the project progresses. We are currently at the basement level, but having said that, we are working on our velocity right now, and I think that is our main focus. Once the project reaches a reasonable stage in terms of RCC, we can also start looking into incremental rates. But right now, our focus is on velocity.

Sakshi Pratap – Pratap Securities: Understood. Thank you so much for the detailed answer.

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Operator: Thank you, ma'am. Ladies and gentlemen, to ask a question, please press star and one now. Participants who wish to ask questions may please press star and one at this time. As there are no further questions from the participants, I now hand the conference over to management for closing comments.

Management: In conclusion, Q1 FY27 marked a quarter of busy operational progress for the company, supported by resilient customer demand, strong sales momentum, and continued absorption across our residential and commercial portfolio. With a healthy ongoing and upcoming project pipeline, selective additions to the development portfolio, and a continued focus on disciplined execution and timely monetization, we remain well-positioned to build on the momentum achieved during the quarter and capitalize on the long-term growth opportunities across South Central Mumbai. Thank you so much.

Operator: Thank you, sir. On behalf of Suraj Estate Developers Ltd., that concludes this conference call. Thank you for joining us. You may now disconnect your lines. Thank you.

Note: {? ... ?} indicates a figure or name where audio clarity was insufficient for confident transcription. Verify against the source audio or the company's published filings.

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